

EXHIBIT C

SIPC v BLMIS-CONFIDENTIAL

Bongiorno 7/8/2016

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

Adv. Pro. No. 08-01789(SMB)

SIPA Liquidation
(Substantially consolidated)

SECURITIES INVESTOR PROTECTION
CORPORATION,

PLAINTIFF,

-VS-

BERNARD L. MADOFF INVESTMENT
SECURITIES, LLC,
DEFENDANT.

IN RE:
BERNARD L. MADOFF,

DEBTOR.

CONFIDENTIAL

REALTIME DEPOSITION OF
ANNETTE BONGIORNO

Pages 1 through 270

Friday, July 8, 2016
8:34 a.m. to 3:15 p.m.

Federal Correctional Institution Coleman Medium
846 NE 54th Terrace
Sumterville, Florida 33521

Stenographically Reported By:
Elizabeth A. Speer, CRR, RMR, FPR,
Realtime Systems Administrator

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877.404.2193

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3 TESTIMONY OF: ANNETTE BONGIORNO

4 Direct Examination by Ms. Brown 5
5 Cross Examination by Ms. Chaitman 145
6 Redirect Examination by Ms. Brown 263

7 CERTIFICATE OF OATH 267

8 CERTIFICATE OF REPORTER 268

9 READ & SIGN LETTER 269

10 ERRATA SHEET 270

11 * * * * *

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13 E X H I B I T S

14 Trustee Exhibit No. 67
15 Order authorizing the deposition of federal
16 prisoner Annette Bongiorno with certain
17 limitations 6

18 Trustee Exhibit No. 68
19 Order authorizing second deposition of
20 federal prisoner Annette Bongiorno 6

21 Trustee Exhibit No. 69
22 2/28/87 Blecker account 100254-10
23 ledger sheet MF00057516 97

24 Trustee Exhibit No. 70
25 Composite of Blecker account 100254-10
December 1986, '87, '88, '89, '90, '91
statements MF00067077, MF00063864,
MF00529912, MF00052809, MF00024487,
MF00472955 101

Trustee Exhibit No. 71
9/30/84 Blecker account 100215-10
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1 Q. And do you know what year it moved to 885
2 third Avenue?

3 A. No.

4 Q. Do you have a decade?

5 A. It was in the -- maybe late '70s, early '80s.

6 Q. And when the office of BLMIS moved to 885
7 Third Avenue, did you work on a particular floor?

8 A. I worked on the main floor at that time,
9 which was the 18th floor.

10 Q. Okay. And how many years did you work on the
11 18th floor?

12 A. I don't remember. I'm really bad with time.
13 I'm sorry.

14 Q. Okay.

15 A. I don't remember.

16 Q. Did you work on the 18th floor throughout
17 your employment at BLMIS?

18 A. No.

19 Q. And what other floors did you work on?

20 A. The 17th floor.

21 Q. And do you know about how many years you
22 worked on the 17th floor?

23 A. No.

24 Q. In 2008, you worked on the 17th floor?

25 A. Yes.

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1 Q. Okay. And probably ten years before that, do
2 you think you worked on the 17th floor?

3 A. Honestly, I don't know.

4 Q. Okay.

5 A. I don't remember the years.

6 Q. When you started working at BLMIS in 1968,
7 what were your job responsibilities?

8 A. Just about everything. I helped answer
9 phones. I did some posting. I helped balance blotters
10 at the end of the day. I did some mailing. I typed
11 some letters. I did just about everything.

12 Q. Okay. And in answering the phones, who were
13 you speaking with on the phone, generally?

14 A. Other brokers, or friends, or family members,
15 and whoever.

16 Q. At the time when you first began at BLMIS,
17 what was the nature of those telephone calls that you
18 had?

19 A. Well, I'd help on the trading desk when the
20 lines were busy. I would just answer the phone and
21 tell them to hold on, because I wasn't trading. If
22 they were calling -- if it was a family member calling
23 for someone, I would just take a message. Mainly, I
24 took his messages, too. If somebody called him, I
25 would take a name, number. Pass it on. It was more

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1 A. One person all the time? No. To my
2 knowledge, I don't know of anybody that did that.
3 Could have been, but I don't know of anybody.

4 Q. Okay. Now, if you could take a look at
5 Trustee Exhibit 49. This is the house manual. What's
6 easier -- I'm going to change exhibits. If you go to
7 Exhibit 61.

8 MR. RIOPELLE: That's the big one; isn't
9 it?

10 Q. Looking at page 1655, when were you
11 questioned about this --

12 MR. RIOPELLE: That's 56.

13 Q. -- by Miss Brown --

14 A. Yes.

15 Q. -- you testified that this book is dated
16 about 1991 and that you did not work with arbitrage
17 accounts during this period.

18 A. That was correct.

19 Q. Okay.

20 A. I don't think I testified about the year,
21 because there's no year on here. Oh, we compared it to
22 a statement. Yes, you're right. Yes.

23 Q. You said that as of about 1991 you were not
24 doing arbitrage accounts.

25 A. That's right.

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1 That's what I understood. That's what he told me.

2 Q. Okay. So was it your understanding that,
3 with respect to the arbitrage accounts, that those were
4 actual trades that he was doing, that those were real
5 transactions?

6 A. Yes.

7 Q. Do you have any reason to believe that when
8 he was doing the arbitrage trading that the
9 transactions reflected on the statements were not
10 accurate transactions?

11 A. No. I believe they were accurate
12 transactions.

13 Q. And what's the basis of your belief?

14 A. Because he said so. I just believed him. I
15 believed him. I mean, I was working with him since I'm
16 20 years old. Everything I knew about the business he
17 taught me. Why would I question him? I don't even --
18 I don't even -- to this day I don't even understand why
19 I would have questioned him.

20 Q. Now, Mr. DiPascali pled guilty.

21 A. Right.

22 Q. And he pled that the fraud began in the late
23 1980s or early 1990s.

24 A. Uh-huh.

25 Q. Is that consistent with your understanding?

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1 MS. BROWN: Objection.

2 A. I never knew there was a fraud. I have no
3 idea what he knew. He was a very, very smart man. And
4 if he knew that back then, he never told me anything
5 like that.

6 So he -- he was very well educated, Frank.
7 He was close to a genius in my eyes. If he picked up
8 on that and he knew that back then, that's on him. He
9 never told me that. And I -- I did not know that.

10 Q. Well, you never knew that he pled that?

11 A. I did know he pled that. I -- I was in
12 trial. I heard the whole thing. But I didn't know it
13 when -- when he realized that himself, he didn't come
14 tell me, oh, Annette, by the way. That didn't happen.

15 Q. Okay. Now if Mr. Madoff testified that the
16 fraud began in 1992 --

17 A. Uh-huh.

18 Q. -- as opposed to in the late 1980s, do you
19 have any information which would indicate to you which
20 was more accurate, that it began in the late 1980s or
21 early 1990s, or that it began in 1990s?

22 MS. BROWN: Objection. I think this
23 goes outside of the profit withdrawal
24 statement, Miss Chaitman. Whether or not the
25 trades were real or fake doesn't go to